

12 Feb 1959

MS/BMS Memo to DCI, subj: Data Processing Machines/S

Study assumed that because of high costs for EDP installations, intra-Agency compartmentalization must yield to a controlled centralization when shown desirable.

The problem: What steps should be taken now to anticipate Agency-wide application of recent and potential developments in the EDP field - inclusive of the centralization potential for all machines offered by the Agency's new Headquarters Bldg.

At that time-- The Agency already had 16 EAM installations 1 EDPM installation at PIC, Steuart Bldg.; and 2 Minicard installations in process, 1 at PIC, and 1 at OCR, M-Bldg.

3 feasibility studies in process [redacted] records mechanization possibilities; application of EDPM methods to Comptroller operations; and feasibility study of current

③ Replacement of EAM methods in RPD/DDP w/EDPM methods.

o/r ① o/s ②
OCR ③ 7E ①
o/r ① PIC ①
OTR ① 7/D ①
RID ② Compt ① 21A ②

①6

"Historically our existing and potential data processing actions have been responsive to isolated and particular needs. Such an approach ^{was} challenged today on three scores - the new bldg., the dynamics in the machine field, and heavy costs of the 17 completed and 5 potential separate installations.

Each installation justified on basis of economy; however, the dispersal of 17 installations throughout the Agency in itself costs excessively in machine rental, space and numbers of personnel including supervisors, higher grades, and related equipment. The new bldg. offers a substantial correction on this score.

Also possibility of centralization of some of these installations raised question of replacement of some older EAM with EDPM eqpmnt.

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M for Dir

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[redacted] and I have long believed that there is a real future in the Agency for electronic data processing equipment and, as you know, we have been dabbling in this area for some years. We continue to believe that this is an area which deserves our special attention. However, I am concerned at this point because we have several different components which are exploring various different systems, all of which are quite expensive. I believe that it is urgent at this time that we look into this whole problem on an A-wide basis to assure that as we go forward we do so in a way which will serve the A's need in the most economical way. The attached staff study was prepared by [redacted] at my request. I concur in their recommendations.

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/s/ lkW, dd(s) 12 Feb 1959

Rep. Recom. in view of A need for a composite data processing system:

- a) appointment of senior component representatives to a department with concurrence response.
- b) update end products and reestablish requirements from existing installations
- c) MS/BMS promptly undertake study to ascertain how existing EAM installations can be centralized, what machine changes particular EDPM, could replace existing EAM machinery under centralized conditions.
- d) Withhold further commitments to MINICARD until OCR test complete.
- e) Require prompt establishing of computer requirements by operating officers in DD/I.

/s/

[redacted]

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